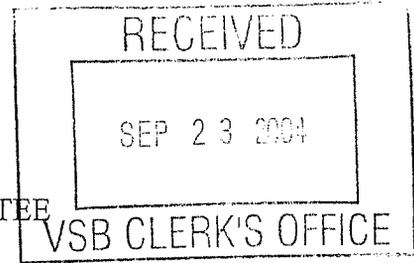


VIRGINIA:

BEFORE THE FIFTH DISTRICT SECTION II SUBCOMMITTEE
OF THE VIRGINIA STATE BAR



IN THE MATTER OF TED WILLIAM HUSSAR, ESQ.
VSB Docket No. 03-052-2834

SUBCOMMITTEE DETERMINATION
PUBLIC REPRIMAND

On the 14th day of September, 2004, a meeting in this matter was held before a duly convened a subcommittee of the Fifth District Committee Section I consisting of John Edwin Coffey, Esq., John E. Zoul, and Richard J. Ruddy, Jr., Esq., presiding.

Pursuant to Part 6, § IV, ¶ 13(G)(1)(c) of the *Rules of Virginia Supreme Court*, a subcommittee of the Fifth District Committee Section II of the Virginia State Bar hereby serves upon the Respondent the following Public Reprimand:

I. FINDINGS OF FACT

1. At all times relevant hereto the Respondent, Ted William Hussar, Esq. (hereinafter the Respondent), has been an attorney licensed to practice law in the Commonwealth of Virginia.

2. On March 21, 2000, the Respondent's secretary conducted a closing for a loan in the amount of \$41,500.00, which was secured by a deed of trust on a residence owned by Danny and Shannon Bryant, the Complainants. The HUD-1, Deed of Trust and Deed of Trust Note were all prepared by the Respondent's secretary and executed on March 21, 2000 by the Complainants at the Respondent's office. The loan closing occurred at the request of another client of the Respondent, Mr. Raj Bansal, while the Respondent was on vacation. Mr. Bansal stated that the Bryants insisted on closing the loan that day, and could not wait for the Respondent

to return from vacation. The Respondent's office colleague, a Virginia attorney, reviewed the documents but did not conduct the settlement. The Respondent's secretary is not a licensed CRESPA settlement agent as are the Respondent and his office colleague. This was the only time that the Respondent's secretary conducted a settlement. No money was provided to the Respondent's office by Mr. Bansal other than for costs and fees. No funds were disbursed to the Complainants at the loan closing. Mr. Bansal told the Respondent's secretary that he had previously provided some funds to the Bryants and would give them the balance later that day. The Respondent's secretary did not make inquiry of the Bryants as to when or how they were to receive the loan proceeds.

3. Upon the Respondent's return from vacation a day or two later later, the Respondent's secretary apprised him of the loan closing and the circumstances surrounding it. The Respondent spoke with Mr. Bansal who stated that note and deed of trust were to secure an old debt and a new loan which the Mr. Bansal claimed to have disbursed to the Bryants after the closing on the March 21, 2000. The Respondent made no inquiry of the Bryants as to whether any funds had been disbursed to them. The Respondent then signed the HUD-I settlement sheet as the settlement agent, despite the fact that the HUD-I did not reflect what actually happened at the settlement and stated that the Bryants received \$41,151.00 at settlement. The Respondent also filed the deed of trust against the property without confirming that the proceeds of the loan had been disbursed. During the days and weeks after settlement, the Bryants did not contact the Respondent to inquire about any loan proceeds.

4. In May of 2000, the Respondent instituted a foreclosure action against the Bryants at the request of Mr. Bansal who claimed the Bryants had failed to repay the loan on May 1, 2000 as required by the note.

5. In response to the foreclosure notice, Mrs. Bryant sought legal advice and her counsel filed a bill of complaint to enjoin the sale of the home. At that time, Mrs. Bryant claimed she never received the proceeds of the loan. The Respondent stated that Mr. Bryant told the Respondent that he had received the loan proceeds. After an evidentiary hearing, the Fairfax Circuit Court enjoined the sale of the Bryants' home. However, at the hearing there was some evidence that unbeknownst to Mrs. Bryant, Mr. Bryant may have received loan funds from Mr. Bansal.

II. NATURE OF MISCONDUCT

The Subcommittee finds that the following Rules of Professional Conduct/Disciplinary Rules have been violated:

RULE 1.3 Diligence

- (a) A lawyer shall act with reasonable diligence and promptness in representing a client.

RULE 1.9 Conflict of Interest: Former Client

- (a) A lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless both the present and former client consent after consultation.

RULE 5.3 Responsibilities Regarding Nonlawyer Assistants

With respect to a nonlawyer employed or retained by or associated with a lawyer:

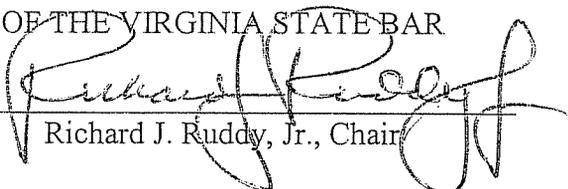
- (c) a lawyer shall be responsible for conduct of such a person that would be a violation of the Rules of Professional Conduct if engaged in by a lawyer if:
 - (1) the lawyer orders or, with the knowledge of the specific conduct, ratifies the conduct involved; or
 - (2) the lawyer is a partner in the law firm in which the person is employed, or has direct supervisory authority over the person, and knows or should have known of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

III. PUBLIC REPRIMAND

Accordingly, it is the decision of the Subcommittee that a Public Reprimand shall be imposed, and this matter shall be closed.

FIFTH DISTRICT SECTION II SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

By


Richard J. Ruddy, Jr., Chair

CERTIFICATE OF SERVICE

I certify that I have this 22nd day of September, 2004, mailed a true and correct copy of the Subcommittee Determination (Public Reprimand) by CERTIFIED MAIL, RETURN RECEIPT REQUESTED, to the Respondent, Ted William Hussar, Esq., at 7215 Poplar St., Annandale, VA 22003-3011, his last address of record with the Virginia State Bar.

Noel Senzel by Marcia Beckwith
Noel D. Senzel, Senior Assistant Bar Counsel